

VZCZCXRO0261

PP RUEHAG RUEHAST RUEHBI RUEHCI RUEHDBU RUEHDF RUEHIK RUEHLH RUEHLN
RUEHLZ RUEHPW RUEHROV RUEHVK RUEHYG
DE RUEHAH #1208 3111225
ZNR UUUUU ZZH
P 071225Z NOV 07
FM AMEMBASSY ASHGABAT
TO RUEHC/SECSTATE WASHDC PRIORITY 9665
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE PRIORITY
RUCNCIS/CIS COLLECTIVE PRIORITY
RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY
RUEHAK/AMEMBASSY ANKARA PRIORITY 2950
RUEHBJ/AMEMBASSY BEIJING PRIORITY 0770
RUEHKO/AMEMBASSY TOKYO PRIORITY 0646
RUEHIT/AMCONSUL ISTANBUL PRIORITY 1223
RHEBAAA/DEPT OF ENERGY WASHDC PRIORITY
RUCPDOG/DEPT OF COMMERCE WASHDC PRIORITY
RHMFIUU/CDR USCENTCOM MACDILL AFB FL PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
RHEFDIA/DIA WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY
RUEKJCS/SECDEF WASHINGTON DC PRIORITY
RUEKJCS/JOINT STAFF WASHDC PRIORITY

UNCLAS ASHGABAT 001208

SIPDIS

SENSITIVE
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STATE FOR SCA/CEN, EUR/FO-BRYZA, EEB
PLEASE PASS TO USTDA DAN STEIN
ENERGY FOR EKIMOFF/THOMPSON
COMMERCE FOR HUEPER

E.O. 12958: N/A

TAGS: [PREL](#) [EPET](#) [UK](#) [TX](#)

SUBJECT: TURKMENISTAN: TOO MUCH PRESS ADO ABOUT BILATERAL
HYDROCARBON AGREEMENT WITH UK

REF: ASHGABAT 1033

¶1. (U) Sensitive but unclassified. Not for public Internet.

¶2. (SBU) "The Times of London" and Dow Jones International News separately ran stories November 6 stating that, during a September 22 visit to Turkmenistan, UK Energy Minister Malcolm Wicks had signed a memorandum of understanding (MOU) with Turkmenistan's Minister of Oil and Gas, Baymurat Hojamuhamedov, aimed at cementing ties between the two countries and improving access to Turkmenistan's oil and gas by UK hydrocarbon companies, including BP and Burren Energy. The Times article went further, maintaining that the MOU was directed toward helping to secure British access to one of the world's largest reserves of natural gas.

OVER THE TOP

¶3. (SBU) The British Ambassador in Ashgabat, Peter Butcher, called the reports "sensational" and "overdone." Butcher confirmed that the two countries had signed a protocol during Wicks' visit (reftel) focused on improving bilateral energy cooperation. However, he added, cooperation is in the earliest stages and the only concrete measure mentioned in the protocol was a proposal for Turkmenistani hydrocarbon officials to visit the UK on a study visit that would, among other things, allow them to become more familiar with the UK's regulatory environment. Her Majesty's government is also considering holding an Energy Charter workshop in Ashgabat, but this will depend upon how the study tour goes. Butcher denied that the protocol is directed toward improving UK firms' access to Turkmenistan's gas. He stressed that there is nothing in the protocol that states support for any companies, either from the UK or elsewhere. That said, he did not exclude the possibility of the British government looking to companies with proven experience in Turkmenistan or elsewhere in Central Asia -- including Burren, BP and

Shell -- to become more active in Turkmenistan if the protocol succeeds in its goal.

14. (SBU) COMMENT: While there is a grain of truth in the story, it appears that this is another case where the press has embroidered the facts almost beyond recognition. Yet this demonstrates the zero-sum mentality that governs too much of the press coverage on Turkmenistan's budding foreign relationships, particularly those related to oil and gas. As Russia seeks to maintain its virtual monopoly over Turkmenistan's gas exports, and as Iran (which characterized Wicks' visit as a UK initiative to take control of Turkmenistan's gas) seeks to counteract what it perceives as growing Western influence in Turkmenistan, such press reports are certain to continue. END COMMENT
HOAGLAND